



EFCOG Suspect/Counterfeit Improvement Task

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- ◆ Fourth quarter CY2005 West Valley Nuclear Services Company (WVNSCO) Trend Analysis Report indicated that eight suspect/counterfeit item (S/CI) occurrence reports had been generated in 2005.
- ◆ Occurrence report trends are normally considered adverse to quality trends.

- ◆ In the case of S/CI discoveries it was explained to be a positive trend that indicates the WVNSCO S/CI program was being proactive in identification and reporting of S/CI's.
- ◆ These discoveries were effective in assuring that S/CI would not be used or installed in the facility.

- ◆ In the same quarter during a USNRC monitoring visit, the NRC representative also noticed the S/CI trend.
- ◆ The NRC representative requested the QA Manager to provide a presentation of what was causing this trend.

- ◆ The NRC representative was satisfied with the program in place and actions taken.
- ◆ Understanding the S/CI process, WVNSCO Management emphasized their expectation about preventing S/CI's from entering the site with written communication (see R. A. Mellor memo WV; 2005; 0349: Management Expectations Concerning S/CI) to all managers and workers.

- ◆ The key theme in this correspondence was to:
 - Eliminate safety concerns.
 - Increase requisitioner awareness.
 - Reduce project delays due to on site S/CI discoveries.

- ◆ In the same time period Management asked why known S/CI's, (i.e. on the S/CI headmark list which had not changed in 10+ yrs) which represented seven of the eight 2005 WVNSCO occurrence reports, had to have the same reporting rigor as an S/CI discovery that was unknown or was a potential counterfeit or fraudulent item?

- ◆ It was explained that our interpretation of the DOE Order 414.1C or S/CI guide does not differentiate between known or unknown S/CI's.

- ◆ Management determined that the potential for improvement of the S/CI program could exist.
- ◆ Management requested the QAM to inquire if EFCOG could conduct a complex wide task that would benchmark other sites S/CI programs.

- ◆ Evaluate the processes for handling S/CI at a representative set of sites throughout the DOE complex.
- ◆ Evaluate these processes for the existence of a best practice and/or develop a recommended process that would provide the requisite amount of control and at the same time be efficient as possible.
- ◆ Recommend an improved, standardized, and more efficient process to the DOE.

EFCOG approved this task on 01/24/06

A task schedule and questionnaire was developed to:

- ◆ Evaluate how the DOE complex contractors are currently processing S/CI's at their sites.
- ◆ Request any suggested area for improvement and/or cost saving ideas.

- ◆ S/CI SME's from eighteen DOE/NNSA sites were requested to complete the EFCOG S/CI questionnaire.
- ◆ The sites and SME's were selected from the 94 S/CI related ORPS Reports written in 2005 and the EH S/CI coordinators web site list.
- ◆ DOE/NNSA sites were represented by 24 contractors and 4 DOE representatives.
- ◆ Responses were returned from 23 contractors and 3 DOE representatives for a total of 26 responses.

Question 1

When an S/CI is discovered at your site, who is required to be notified? (check all that apply)

- ☐ S/CI Coordinator
- ☐ QA/QC/QE
- ☐ Facility Manager
- ☐ DOE Facility Representative
- ☐ DOE S/CI Coordinator
- ☐ Inspector General
- ☐ Other (please explain)

To verify consistent reporting of S/CI's in the complex to the requirements of DOE O 414.1C, CRD para. 4. b. (8). The intent of the order is to report S/CI's per DOE O 231.1A Change 1, *Environment, Safety, and Health Reporting*, and DOE O 221.1, *Reporting Fraud, Waste, and Abuse*.

Question 2

Is there any time that a discovered S/CI does not have to be reported internally and/or externally?

- ☐ Discovered off site
- ☐ Discovered on site, but not inside the security gated area
- ☐ Discovered at receipt inspection, but determined not to be the item ordered, so returned to vendor
- ☐ Other (please explain)

Determine when an S/CI is being reported at DOE/NNSA sites.

DOE O 414.1C, CRD, para. 4. b. (3) requires disposition of S/CI's installed in safety applications and other applications that create potential hazards; (5) Ensuring that S/CI's identified in non-safety applications during routine maintenance and/or inspection are reported, evaluated, and dispositioned to prevent further use in safety applications.

Question 3

Does your site S/CI Program require the following documents to be written?

- ☐ Non-conformance report
- ☐ Occurrence Report
- ☐ Critique documented
- ☐ Other (please explain)

Indicate whether or not these discoveries are bunched (more than one item on a report) in groups if discovered within a specific time period.

Intent of Question 3

To ascertain the documents used within the complex to implement the reporting and disposition requirements for S/CI's as required by DOE O 414.1C, CRD, para. 4. b. (3 through 7).

Which of your procurement documents require notification to your supplier of the DOE S/CI policy?

- ☐ All procurements regardless of quality level
- ☐ Only those procurements with quality level (s) for safety SSCs
- ☐ Credit Card Purchases
- ☐ Other (please explain)

Intent of Question 4

To ascertain the procurement documents requirements or notification and/or methods used within the complex to prevent S/CI's from being supplied to DOE/NNSA sites and its contractors as required by DOE O 414.1C, CRD, para. 4. a. (1) and b. (1), (2), (a) thru (c).

Question 5

Do your procurement documents require notification to the supplier not to provide items of foreign origin.

- ☐ Domestic items only
- ☐ Domestic items unless specified otherwise in writing
- ☐ Not specified in procurement documents
- ☐ Other (please explain)

Intent of Question 5

To determine what methods are being used to prevent items of foreign origin such as those defined in the DOE S/CI Awareness Training Hand Book from entering DOE/NNSA sites.

Question 6

What type of S/CI training has been done at your facility?

- ☐ DOE training provided by a site visit from DOE (EH)
- ☐ On-site training by S/CI qualified trainer
- ☐ On-the-Job Training (OJT)
- ☐ Computer based S/CI awareness training
- ☐ Reading assignment
- ☐ Other (please explain)

Intent of Question 6

To provide feedback on how well the training programs at DOE/NNSA sites are implementing S/CI training to their personnel and suppliers, training and informing managers, supervisors, and workers on S/CI processes and controls (including prevention, detection, and disposition) of S/CI's as required by DOE O 414.1C, CRD, para. 4. a. (2) and (5)).

Review of S/CI Occurrence Reports from 2005 indicate that many S/CI discoveries are dispositioned “use as is” with a technical justification.

Are any of the following steps taken to identify the known S/CI’s in your facilities?

- ☐ Paint the SC/I a conspicuous color designated at your site, identifying it as a known SC/I.
- ☐ Tag or uniquely identify the item(s) as a known S/CI.
- ☐ Identify the item(s) on a controlled list of known S/CI’s that may have the NCR/OR numbers listed and the area/facility where the S/CI is located.
- ☐ Other (please explain)

To ascertain how DOE/NNSA sites are implementing DOE O 414.1C, CRD, para. 4. a. (4) that requires Engineering evaluations and disposition of S/CI's installed in safety applications/systems or in applications that create potential hazards.

Question 8

The most current S/CI head mark list can be located on the DOE EH-32 website <http://www.eh.doe.gov/paa/sci> along with other S/CI information. A comparison with an S/CI head mark list from a 1997 S/CI booklet from DOE shows the same S/CI bolts as today. To the best of your knowledge, is your site aware of any bolts determined to be suspect/counterfeit that were processed (NCR/OR) that should have been added to this list?

- ☐ Yes (explain)
- ☐ No

Intent of Question 8

To find out if any DOE/NNSA sites were knowledgeable of high strength fasteners that were not included on the current DOE Headmark List.

Question 9

As most are aware, ratchet tie-down straps with S/CI fasteners being used as a pivot point for the nylon straps have been a key concern for the past few years. These tie-down strap assemblies can be found at any Wal-Mart or warehouse club stores in the US. With this in mind, provide your suggestions, improvement, or cost saving ideas on how known S/CI's (such as tie-down ratchet strap assemblies) can be addressed by contractors/DOE or if the current process is adequate.

To solicit suggestions, improvement, and cost saving ideas from those mostly involved with the DOE/NNSA sites implementation of the DOE S/CI program.

The DOE S/CI Guide (DOE G 414.1-3, 11-3-04) recommends in Sections 4.4.2, “Safety Systems” and 4.4.3, “Non-Safety Systems” to identify all S/CI’s discovered through the site non-conformance processes, report them to the local DOE/NNSA office, issue an Occurrence Report, disposition, determine the extent to other affected item or facilities, and maintain the S/CI for further actions or destroy the S/CI.

Question 10 (cont'd)

All of these recommendations when implemented can be costly. Please provide any average cost estimates you may have on the following subjects:

- Average cost to process an S/CI NCR - \$
- Average cost to process an S/CI OR - \$
- Average cost to determine extent of an S/CI - \$ unless already included in one of the above processes.
- Any other cost information or comments

To determine an average cost estimate to process the listed documents to closure at each site.